

FILED APR 08 1999

By Deanie W. Morrison

H. B. No. 3812

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, powers, duties,
operation, and financing of the Victoria County Groundwater
Conservation District.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. CREATION. A groundwater conservation district to
be known as the Victoria County Groundwater Conservation District
is created in Victoria County under Section 59, Article XVI, Texas
Constitution, subject to approval at a confirmation election under
Section 7 of this Act. The district is a governmental agency and a
body politic and corporate.

SECTION 2. DEFINITIONS. In this Act:

(1) "District" means the Victoria County Groundwater
Conservation District.

(2) "Board" means the district's board of directors.

SECTION 3. FINDING OF BENEFIT. All of the land and other
property included within the boundaries of the district will be
benefited by the works and projects that are to be accomplished by
the district under powers conferred by Section 59, Article XVI,
Texas Constitution. The district is created to serve a public use
and benefit.

SECTION 4. BOUNDARIES. The boundaries of the district are
coextensive with the boundaries of Victoria County.

SECTION 5. POWERS. Except to the extent of any conflict

1 with this Act or as specifically limited by this Act, the district
2 is governed by and subject to Chapter 36, Water Code, and may
3 exercise all of the powers contained in this chapter, including the
4 power to issue bonds and levy and collect taxes and the power of
5 eminent domain.

6 SECTION 6. TEMPORARY DIRECTORS. (a) The temporary board of
7 directors is composed of:

- 8 (1) Place 1 - John Wester;
- 9 (2) Place 2 - Rocky Sanders;
- 10 (3) Place 3 - Trey Ruschhaupt;
- 11 (4) Place 4 - Joseph Dial;
- 12 (5) Place 5 - John Swoboda, Jr.;
- 13 (6) Place 6 - Jerry James; and
- 14 (7) Place 7 - Denise McCue.

15 (b) If a temporary director fails to qualify for office or
16 if a vacancy occurs in the office of temporary director, the
17 Commissioners Court of Victoria County shall appoint persons to
18 fill vacancies in places 1 through 4, and the governing body of the
19 city of Victoria shall appoint persons to fill vacancies in places
20 5 through 7.

21 (c) The temporary directors shall select from their members
22 persons to serve as chair, vice chair, and secretary.

23 (d) To be qualified to serve as a temporary director, a
24 person must be a resident of Victoria County and must be at least
25 18 years of age.

26 SECTION 7. CONFIRMATION ELECTION. (a) Not later than the
27 30th day after the effective date of this Act, the temporary

1 directors shall meet and shall call an election to be held not
2 later than the 120th day after the effective date of this Act
3 inside the boundaries of the proposed district to confirm the
4 establishment of the district.

5 (b) Section 41.001(a), Election Code, does not apply to an
6 election held as provided by this section.

7 (c) The ballot for the election shall be printed to provide
8 for voting for or against propositions on:

9 (1) the creation of the Victoria County Groundwater
10 Conservation District; and

11 (2) the imposition of a property tax in the district.

12 (d) The temporary board of directors may include on the
13 ballot other propositions the board considers necessary.

14 (e) If a majority of votes cast at the election favor the
15 creation of the district, the temporary directors shall declare the
16 district created. If a majority of the votes cast at the election
17 are against the creation of the district, the temporary directors
18 shall declare the district defeated. The temporary directors shall
19 file a copy of the election results with the Texas Natural Resource
20 Conservation Commission.

21 (f) If establishment of the district is not confirmed, the
22 temporary directors may call additional confirmation elections. A
23 confirmation election may not be held before the first anniversary
24 of the previous confirmation election. This Act expires if the
25 district is not confirmed before the fourth anniversary of the
26 effective date of this Act.

27 SECTION 8. INITIAL DIRECTORS. (a) Except as provided by

1 this subsection, on confirmation of the establishment of the
2 district under Section 7 of this Act, the temporary directors
3 become the initial directors of the district. Before the 61st day
4 after the date the district is confirmed, the Commissioners Court
5 of Victoria County may replace with another appointee any director
6 in places 1 through 4, and the governing body of the city of
7 Victoria may replace with another appointee any director in places
8 5 through 7.

9 (b) The directors in places 1, 3, 5, and 7 serve terms that
10 expire on the second anniversary of the date the district is
11 confirmed. The directors in places 2, 4, and 6 serve terms that
12 expire on the fourth anniversary of the date the district is
13 confirmed.

14 (c) If an appointed director is not qualified to take office
15 at the first regular meeting of the board following the director's
16 appointment, the previous director for that place continues to
17 serve until a successor is appointed and qualifies.

18 SECTION 9. BOARD OF DIRECTORS. (a) The district is
19 governed by a board of seven directors.

20 (b) The board shall select from its members a chair, vice
21 chair, and secretary.

22 (c) On the expiration of directors' terms or on the
23 occurrence of a vacancy in the office of a director:

24 (1) the Commissioners Court of Victoria County shall
25 appoint the appropriate number of directors to places 1 through 4;
26 and

27 (2) the governing body of the city of Victoria shall

1 appoint the appropriate number of directors to places 5 through 7.

2 (d) A director appointed to fill a vacancy serves for the
3 unexpired portion of the term.

4 (e) To be qualified for appointment as a director, a person
5 must be a resident of the district and must be at least 18 years of
6 age.

7 (f) Except for temporary and initial directors of the
8 district, directors serve four-year terms.

9 SECTION 10. LIMITATION ON TAXATION. The district may not
10 impose an ad valorem tax at a rate that exceeds two cents on each
11 \$100 valuation of taxable property in the district.

12 SECTION 11. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS.

13 (a) The proper and legal notice of the intention to introduce this
14 Act, setting forth the general substance of this Act, has been
15 published as provided by law, and the notice and a copy of this Act
16 have been furnished to all persons, agencies, officials, or
17 entities to which they are required to be furnished by the
18 constitution and other laws of this state, including the governor,
19 who has submitted the notice and Act to the Texas Natural Resource
20 Conservation Commission.

21 (b) The Texas Natural Resource Conservation Commission has
22 filed its recommendations relating to this Act with the governor,
23 the lieutenant governor, and speaker of the house of
24 representatives within the required time.

25 (c) All requirements of the constitution and laws of this
26 state and the rules and procedures of the legislature with respect
27 to the notice, introduction, and passage of this Act are fulfilled

and accomplished.

SECTION 12. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

NOTICE OF INTENT.
This is to give notice of intent to
introduce in the Legislature,
Regular Session, a bill to be en-
acted an Act relating to creation of
the Victoria County Groundwater
Conservation District within the
boundaries of Victoria County.
(052)

The State of Texas,
County of Victoria

Before me, the undersigned authority, on this day personally appeared Cindy Tucker,
who being by me duly sworn, states on oath that she is the Classified Bookkeeper of
The Victoria Advocate, a newspaper published in Victoria, Victoria County, Texas and
that the attached printed notice in the case of CITY OF VICTORIA

LEGAL 990058

was published in The Victoria Advocate on the following dates:

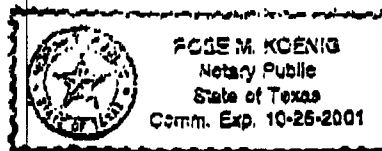
JANUARY 25, 1999

Cindy Tucker

CINDY TUCKER
CLASSIFIED BOOKKEEPER

Sworn to and subscribed before me this 4th day of FEBRUARY, 1999.

Rose M. Koenig
Notary Public in and for Victoria County, Texas



HOUSE COMMITTEE REPORT

1st Printing

By Morrison

H.B. No. 3812

A BILL TO BE ENTITLED

AN ACT

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2 relating to the creation, administration, powers, duties,
3 operation, and financing of the Victoria County Groundwater
4 Conservation District.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. CREATION. A groundwater conservation district to
7 be known as the Victoria County Groundwater Conservation District
8 is created in Victoria County under Section 59, Article XVI, Texas
9 Constitution, subject to approval at a confirmation election under
10 Section 7 of this Act. The district is a governmental agency and a
11 body politic and corporate.

12 SECTION 2. DEFINITIONS. In this Act:

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14 Conservation District.

15 (2) "Board" means the district's board of directors.

16 SECTION 3. FINDING OF BENEFIT. All of the land and other
17 property included within the boundaries of the district will be
18 benefited by the works and projects that are to be accomplished by
19 the district under powers conferred by Section 59, Article XVI,
20 Texas Constitution. The district is created to serve a public use
21 and benefit.

22 SECTION 4. BOUNDARIES. The boundaries of the district are
23 coextensive with the boundaries of Victoria County.

24 SECTION 5. POWERS. Except to the extent of any conflict

1 with this Act or as specifically limited by this Act, the district
2 is governed by and subject to Chapter 36, Water Code, and may
3 exercise all of the powers contained in this chapter, including the
4 power to issue bonds and levy and collect taxes and the power of
5 eminent domain.

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7 directors is composed of:

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16 if a vacancy occurs in the office of temporary director, the
17 Commissioners Court of Victoria County shall appoint persons to
18 fill vacancies in places 1 through 4, and the governing body of the
19 city of Victoria shall appoint persons to fill vacancies in places
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21 (c) The temporary directors shall select from their members
22 persons to serve as chair, vice chair, and secretary.

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24 person must be a resident of Victoria County and must be at least
25 18 years of age.

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27 30th day after the effective date of this Act, the temporary

1 directors shall meet and shall call an election to be held not
2 later than the 120th day after the effective date of this Act
3 inside the boundaries of the proposed district to confirm the
4 establishment of the district.

5 (b) Section 41.001(a), Election Code, does not apply to an
6 election held as provided by this section.

7 (c) The ballot for the election shall be printed to provide
8 for voting for or against propositions on:

9 (1) the creation of the Victoria County Groundwater
10 Conservation District; and

11 (2) the imposition of a property tax in the district.

12 (d) The temporary board of directors may include on the
13 ballot other propositions the board considers necessary.

14 (e) If a majority of votes cast at the election favor the
15 creation of the district, the temporary directors shall declare the
16 district created. If a majority of the votes cast at the election
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18 shall declare the district defeated. The temporary directors shall
19 file a copy of the election results with the Texas Natural Resource
20 Conservation Commission.

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17 serve until a successor is appointed and qualifies.

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23 occurrence of a vacancy in the office of a director:

24 (1) the Commissioners Court of Victoria County shall
25 appoint the appropriate number of directors to places 1 through 4;
26 and

27 (2) the governing body of the city of Victoria shall

1 appoint the appropriate number of directors to places 5 through 7.

2 (d) A director appointed to fill a vacancy serves for the
3 unexpired portion of the term.

4 (e) To be qualified for appointment as a director, a person
5 must be a resident of the district and must be at least 18 years of
6 age.

7 (f) Except for temporary and initial directors of the
8 district, directors serve four-year terms.

9 SECTION 10. LIMITATION ON TAXATION. The district may not
10 impose an ad valorem tax at a rate that exceeds two cents on each
11 \$100 valuation of taxable property in the district.

12 SECTION 11. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS.

13 (a) The proper and legal notice of the intention to introduce this
14 Act, setting forth the general substance of this Act, has been
15 published as provided by law, and the notice and a copy of this Act
16 have been furnished to all persons, agencies, officials, or
17 entities to which they are required to be furnished by the
18 constitution and other laws of this state, including the governor,
19 who has submitted the notice and Act to the Texas Natural Resource
20 Conservation Commission.

21 (b) The Texas Natural Resource Conservation Commission has
22 filed its recommendations relating to this Act with the governor,
23 the lieutenant governor, and speaker of the house of
24 representatives within the required time.

25 (c) All requirements of the constitution and laws of this
26 state and the rules and procedures of the legislature with respect
27 to the notice, introduction, and passage of this Act are fulfilled

1 and accomplished.

2 SECTION 12. EMERGENCY. The importance of this legislation
3 and the crowded condition of the calendars in both houses create an
4 emergency and an imperative public necessity that the
5 constitutional rule requiring bills to be read on three several
6 days in each house be suspended, and this rule is hereby suspended,
7 and that this Act take effect and be in force from and after its
8 passage, and it is so enacted.

COMMITTEE AMENDMENT NO. 1

Amend H.B. 3812 as follows:

(1) On page 1, line 3, strike "Victoria County" and substitute Crossroads.

(2) On page 1, line 7, strike "Victoria County" and substitute Crossroads.

(3) On page 1, line 13, strike "Victoria County" and substitute Crossroads.

(4) On page 3, line 9, strike "Victoria County" and substitute Crossroads.

(5) On page 3, line 25, strike "fourth" and substitute second.

Counts

BILL ANALYSIS

Office of House Bill Analysis

H.B. 3812
By: Morrison
Natural Resources
4/26/1999
Committee Report (Amended)

BACKGROUND AND PURPOSE

Currently, there are no regulations limiting the amount of water pumped from the Gulf Coast aquifer (aquifer) located under Victoria County. Recent studies have indicated that the City of Victoria, which resources all of its water from the aquifer, is depleting the aquifer rapidly. To protect current and future economic growth, and municipal, agricultural, and industrial water users, the city and county of Victoria have requested the formation of a groundwater conservation district. H.B. 3812 creates the Victoria County Groundwater Conservation District, upon confirmation election.

RULEMAKING AUTHORITY

It is the opinion of the Office of House Bill Analysis that this bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency or institution.

SECTION BY SECTION ANALYSIS

SECTION 1. CREATION. Creates the Victoria County Groundwater Conservation District (district) in Victoria County, subject to approval at a confirmation election. Provides that the district is created under Section 59, Article XVI, Texas Constitution. Provides that the district is a governmental agency and a body politic and corporate.

SECTION 2. DEFINITIONS. Defines "district" and "board."

SECTION 3. FINDING OF BENEFIT. Sets forth findings of benefit.

SECTION 4. BOUNDARIES. Provides the boundaries of the district are coextensive with the boundaries of Victoria County.

SECTION 5. POWERS. Provides that the district, except to the extent of any conflict with this Act or as specifically limited by this Act, is governed by and subject to Chapter 36 (Groundwater Conservation Districts), Water Code, and authorizes the district to exercise all of the powers contained in this chapter, including the power to issue bonds and levy and collect taxes and the power of eminent domain.

SECTION 6. TEMPORARY DIRECTORS. Sets forth the composition of the temporary board of directors. Sets forth the method for appointing a temporary director, if a current temporary member has not qualified. Requires the temporary directors to select from their members a chair, vice chair, and secretary. Sets forth qualifications for temporary directors.

SECTION 7. CONFIRMATION ELECTION. Requires the temporary board of directors to call and hold an election to confirm establishment of the district. Provides that Section 41.001(a), Election Code (Uniform Election Dates), does not apply to a confirmation election held as provided by this section. Sets forth election procedures for the creation of the district.

SECTION 8. INITIAL DIRECTORS. Provides that the temporary directors become the initial directors of the district, if creation of the district is confirmed. Sets forth conditions regarding the temporary directors serving as initial directors.

SECTION 9. BOARD OF DIRECTORS. Provides that the district is governed by a board of seven

directors. Requires the board to select from its members a chair, vice chair, and secretary. Establishes qualifications and the process for filling a vacancy or upon expiration of a director's term or a vacancy in the office of director. Sets forth conditions of length of service for temporary, initial, and permanent directors.

SECTION 10. LIMITATION ON TAXATION. Prohibits the district from imposing an ad valorem tax that exceeds the rate of two cents on each \$100 valuation of taxable property in the district.

SECTION 11. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS. Sets forth findings related to procedural requirements.

SECTION 12. Emergency clause.
Effective date: upon passage.

EXPLANATION OF AMENDMENTS

Committee Amendment No. 1.

Renames the proposed Victoria County Groundwater Conservation District as the Crossroads Groundwater Conservation District. Provides that this Act expires if the district is not confirmed before the second, rather than fourth, anniversary of the Act's effective date.

SUMMARY OF COMMITTEE ACTION

HB 3812

April 21, 1999 2:00PM or upon adjournment

Considered in public hearing

Testimony taken in committee

Amendment(s) considered in committee

Recommended to be sent to Local & Consent

Reported favorably as amended

WITNESS LIST

HB 3812
HOUSE COMMITTEE REPORT
Natural Resources Committee

April 21, 1999 - 2:00PM or upon adjournment

For: Middleton, Gary (City of Victoria)

Registering, but not testifying:

For: Arnold, Denny L. (City of Victoria)
Booth, Michael J. (City of Victoria)
Powers, Bill (Texas Farm Bureau)

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 76th Regular Session

April 24, 1999

TO: Honorable David Counts, Chair, House Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: **HB 3812** by Morrison (relating to the creation, administration, powers, duties, operation, and financing of the Crossroads Groundwater Conservation District),
Committee Report 1st House, as amended

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JK, DE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 76th Regular Session

April 19, 1999

TO: Honorable David Counts, Chair, House Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: **HB 3812** by Morrison (Relating to the creation, administration, powers, duties, operation, and financing of the Victoria County Groundwater Conservation District.), **As Introduced**

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JK, DE

LEGISLATIVE BUDGET BOARD

Water Development Impact Statement

April 23, 1999

TO: Honorable David Counts, Chair
Committee on Natural Resources
House of Representatives
Austin, Texas

IN RE: House Bill No. 3812
By: Morrison

FROM: John Keel, Director

In response to your request for a Water Development Impact Statement on HB3812 (Relating to the creation, administration, powers, duties, operation, and financing of the Victoria County Groundwater Conservation District.) this office, in cooperation with the Water Development Board (TWDB) and Texas Natural Resource Conservation Commission (TNRCC), has determined the following:

Subject to a confirmation election, the bill creates Victoria County Groundwater Conservation District (District) with the powers and duties of Chapter 36 of the Texas Water Code related to the general law for groundwater conservation districts (GCDs).

1. Location & Size - Creates the District with boundaries co-extensive with the boundaries of Victoria County. Victoria County is not located within a TNRCC designated Priority Groundwater Management Area.
2. Population - The current population of the proposed district is estimated at 83,362 residents. Population projections prepared by TWDB indicate a future population of the proposed district ranging from 94,820 to 96,977 by the year 2020.
3. Powers - The District has the general powers and duties granted to groundwater conservation districts, under Water Code Chapter 36 including well permitting and regulation of well spacing and production.
4. District Financing - Same as general law groundwater conservation districts under Chapter 36 of the Water Code including the issuance of bonds, levying a tax and setting fees.
5. Board of Directors - The District is governed by a board of seven directors with four directors appointed by the Victoria County Commissioners Court and the remaining three directors appointed by the governing body of the City of Victoria. The directors serve staggered four-year terms. General law districts are governed by an elected board serving four year terms.
6. Eminent Domain - Yes, same as other general law groundwater conservation districts.
7. Ability to Tax - Same as general law groundwater conservation districts under Chapter 36 of the Water Code, except that the District may not levy an ad valorem tax exceeding \$0.02 per \$100 assessed valuation on taxable property.
8. Overlapping Services - There are no overlapping groundwater conservation districts.
9. Adequacy of Boundary Description - The boundary of the District is the same as that of Victoria County.
10. Comments on powers and duties different from similar types of districts - The powers are similar to those of groundwater conservation districts created pursuant to general law (subject to voter approval); however, there is a limit placed on ad valorem tax rates. General law GCDs have a limit of \$0.50 per \$100 assessed valuation on maintenance tax but no limit on debt service taxes to support bond debt. If a majority of the votes for confirmation of the

District are against creation, the temporary directors may call subsequent elections no earlier than the anniversary date of the previous elections. If the District has not been confirmed before the fourth anniversary of the effective date of the Act, the Act expires on that date.

11. TNRCC supervision - Same as general law for Groundwater Conservation Districts including bond review authority. The TNRCC's supervision authority as it is related to development of a management plan would be the same as for general law groundwater conservation districts. The District would not have to comply with TNRCC auditing requirements.
12. State Water Plan Objective - Groundwater resources currently supply approximately 49 percent of the water for meeting the proposed district's annual water needs. Manufacturing water use accounts for about 41 percent of the district's annual water use with surface water resources providing 97 percent of the water for the manufacturing sector. Municipal water use accounts for about 22 percent of the proposed district's annual water use with groundwater resources supplying all of the water for municipal use. TWDB finds that creation of the proposed district complies with the State Water Plan objectives of promoting the implementation of programs and practices for effectively managing local groundwater resources and the efficient use of local groundwater resources.

NOTICE OF COMMENT.
This is to give notice of intent to
introduce in the Legislature,
Regular Session, a bill to be en-
titled an Act relating to creation of
the Victoria County Groundwater
Conservation District within the
boundaries of Victoria County.
(052)

The State of Texas,
County of Victoria

Before me, the undersigned authority, on this day personally appeared Cindy Tucker,
who being by me duly sworn, states on oath that she is the Classified Bookkeeper of
The Victoria Advocate, a newspaper published in Victoria, Victoria County, Texas and
that the attached printed notice in the case of CITY OF VICTORIA
LEGAL 990058

was published in The Victoria Advocate on the following dates:

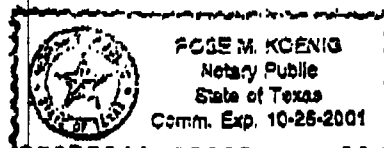
JANUARY 20, 1999

Cindy Tucker

CINDY TUCKER
CLASSIFIED BOOKKEEPER

Sworn to and subscribed before me this 4th day of FEBRUARY, 1999.

Rose M. Koenig
Notary Public in and for Victoria County, Texas



LIST OF HOUSE AMENDMENTS CONSIDERED TODAY

HB3812-Second Reading

<u>AMENDMENT#</u>	<u>AUTHOR</u>	<u>DESCRIPTION</u>	<u>ACTION</u>
1	Counts	Comm Amdt	Adopted

[Handwritten mark]

COMMITTEE AMENDMENT NO. 1

ADOPTED
MAY 24 1999
[Signature]
Speaker of the House

COMMITTEE AMENDMENT NO. 1

By Counts

- 1 Amend H.B. 3812 as follows:
- 2 (1) On page 1, line 3, strike "Victoria County" and
- 3 substitute Crossroads.
- 4 (2) On page 1, line 7, strike "Victoria County" and
- 5 substitute Crossroads.
- 6 (3) On page 1, line 13, strike "Victoria County" and
- 7 substitute Crossroads.
- 8 (4) On page 3, line 9, strike "Victoria County" and
- 9 substitute Crossroads.
- 10 (5) On page 3, line 25, strike "fourth" and substitute
- 11 second.

HOUSE ENGROSSMENT

By Morrison

H.B. No. 3812

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2 later than the 120th day after the effective date of this Act
3 inside the boundaries of the proposed district to confirm the
4 establishment of the district.

5 (b) Section 41.001(a), Election Code, does not apply to an
6 election held as provided by this section.

7 (c) The ballot for the election shall be printed to provide
8 for voting for or against propositions on:

9 (1) the creation of the Crossroads Groundwater
10 Conservation District; and

11 (2) the imposition of a property tax in the district.

12 (d) The temporary board of directors may include on the
13 ballot other propositions the board considers necessary.

14 (e) If a majority of votes cast at the election favor the
15 creation of the district, the temporary directors shall declare the
16 district created. If a majority of the votes cast at the election
17 are against the creation of the district, the temporary directors
18 shall declare the district defeated. The temporary directors shall
19 file a copy of the election results with the Texas Natural Resource
20 Conservation Commission.

21 (f) If establishment of the district is not confirmed, the
22 temporary directors may call additional confirmation elections. A
23 confirmation election may not be held before the first anniversary
24 of the previous confirmation election. This Act expires if the
25 district is not confirmed before the second anniversary of the
26 effective date of this Act.

27 SECTION 8. INITIAL DIRECTORS. (a) Except as provided by

1 this subsection, on confirmation of the establishment of the
2 district under Section 7 of this Act, the temporary directors
3 become the initial directors of the district. Before the 61st day
4 after the date the district is confirmed, the Commissioners Court
5 of Victoria County may replace with another appointee any director
6 in places 1 through 4, and the governing body of the city of
7 Victoria may replace with another appointee any director in places
8 5 through 7.

9 (b) The directors in places 1, 3, 5, and 7 serve terms that
10 expire on the second anniversary of the date the district is
11 confirmed. The directors in places 2, 4, and 6 serve terms that
12 expire on the fourth anniversary of the date the district is
13 confirmed.

14 (c) If an appointed director is not qualified to take office
15 at the first regular meeting of the board following the director's
16 appointment, the previous director for that place continues to
17 serve until a successor is appointed and qualifies.

18 SECTION 9. BOARD OF DIRECTORS. (a) The district is
19 governed by a board of seven directors.

20 (b) The board shall select from its members a chair, vice
21 chair, and secretary.

22 (c) On the expiration of directors' terms or on the
23 occurrence of a vacancy in the office of a director:

24 (1) the Commissioners Court of Victoria County shall
25 appoint the appropriate number of directors to places 1 through 4;
26 and

27 (2) the governing body of the city of Victoria shall

1 appoint the appropriate number of directors to places 5 through 7.

2 (d) A director appointed to fill a vacancy serves for the
3 unexpired portion of the term.

4 (e) To be qualified for appointment as a director, a person
5 must be a resident of the district and must be at least 18 years of
6 age.

7 (f) Except for temporary and initial directors of the
8 district, directors serve four-year terms.

9 SECTION 10. LIMITATION ON TAXATION. The district may not
10 impose an ad valorem tax at a rate that exceeds two cents on each
11 \$100 valuation of taxable property in the district.

12 SECTION 11. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS.
13 (a) The proper and legal notice of the intention to introduce this
14 Act, setting forth the general substance of this Act, has been
15 published as provided by law, and the notice and a copy of this Act
16 have been furnished to all persons, agencies, officials, or
17 entities to which they are required to be furnished by the
18 constitution and other laws of this state, including the governor,
19 who has submitted the notice and Act to the Texas Natural Resource
20 Conservation Commission.

21 (b) The Texas Natural Resource Conservation Commission has
22 filed its recommendations relating to this Act with the governor,
23 the lieutenant governor, and speaker of the house of
24 representatives within the required time.

25 (c) All requirements of the constitution and laws of this
26 state and the rules and procedures of the legislature with respect
27 to the notice, introduction, and passage of this Act are fulfilled

1 and accomplished.

2 SECTION 12. EMERGENCY. The importance of this legislation
3 and the crowded condition of the calendars in both houses create an
4 emergency and an imperative public necessity that the
5 constitutional rule requiring bills to be read on three several
6 days in each house be suspended, and this rule is hereby suspended,
7 and that this Act take effect and be in force from and after its
8 passage, and it is so enacted.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 76th Regular Session

April 24, 1999

TO: Honorable David Counts, Chair, House Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB 3812 by Morrison (relating to the creation, administration, powers, duties, operation, and financing of the Crossroads Groundwater Conservation District),
Committee Report 1st House, as amended

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JK, DE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 76th Regular Session

April 19, 1999

TO: Honorable David Counts, Chair, House Committee on Natural Resources

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB 3812 by Morrison (Relating to the creation, administration, powers, duties, operation, and financing of the Victoria County Groundwater Conservation District.), As
Introduced

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JK, DE

LEGISLATIVE BUDGET BOARD

Water Development Impact Statement

April 23, 1999

TO: Honorable David Counts, Chair
Committee on Natural Resources
House of Representatives
Austin, Texas

IN RE: House Bill No. 3812
By: Morrison

FROM: John Keel, Director

In response to your request for a Water Development Impact Statement on HB3812 (Relating to the creation, administration, powers, duties, operation, and financing of the Victoria County Groundwater Conservation District.) this office, in cooperation with the Water Development Board (TWDB) and Texas Natural Resource Conservation Commission (TNRCC), has determined the following:

Subject to a confirmation election, the bill creates Victoria County Groundwater Conservation District (District) with the powers and duties of Chapter 36 of the Texas Water Code related to the general law for groundwater conservation districts (GCDs).

1. Location & Size - Creates the District with boundaries co-extensive with the boundaries of Victoria County. Victoria County is not located within a TNRCC designated Priority Groundwater Management Area.
2. Population - The current population of the proposed district is estimated at 83,362 residents. Population projections prepared by TWDB indicate a future population of the proposed district ranging from 94,820 to 96,977 by the year 2020.
3. Powers - The District has the general powers and duties granted to groundwater conservation districts, under Water Code Chapter 36 including well permitting and regulation of well spacing and production.
4. District Financing - Same as general law groundwater conservation districts under Chapter 36 of the Water Code including the issuance of bonds, levying a tax and setting fees.
5. Board of Directors - The District is governed by a board of seven directors with four directors appointed by the Victoria County Commissioners Court and the remaining three directors appointed by the governing body of the City of Victoria. The directors serve staggered four-year terms. General law districts are governed by an elected board serving four year terms.
6. Eminent Domain - Yes, same as other general law groundwater conservation districts.
7. Ability to Tax - Same as general law groundwater conservation districts under Chapter 36 of the Water Code, except that the District may not levy an ad valorem tax exceeding \$0.02 per \$100 assessed valuation on taxable property.
8. Overlapping Services - There are no overlapping groundwater conservation districts.
9. Adequacy of Boundary Description - The boundary of the District is the same as that of Victoria County.
10. Comments on powers and duties different from similar types of districts - The powers are similar to those of groundwater conservation districts created pursuant to general law (subject to voter approval); however, there is a limit placed on ad valorem tax rates. General law GCDs have a limit of \$0.50 per \$100 assessed valuation on maintenance tax but no limit on debt service taxes to support bond debt. If a majority of the votes for confirmation of the

District are against creation, the temporary directors may call subsequent elections no earlier than the anniversary date of the previous elections. If the District has not been confirmed before the fourth anniversary of the effective date of the Act, the Act expires on that date.

11. TNRCC supervision - Same as general law for Groundwater Conservation Districts including bond review authority. The TNRCC's supervision authority as it is related to development of a management plan would be the same as for general law groundwater conservation districts. The District would not have to comply with TNRCC auditing requirements.
12. State Water Plan Objective - Groundwater resources currently supply approximately 49 percent of the water for meeting the proposed district's annual water needs. Manufacturing water use accounts for about 41 percent of the district's annual water use with surface water resources providing 97 percent of the water for the manufacturing sector. Municipal water use accounts for about 22 percent of the proposed district's annual water use with groundwater resources supplying all of the water for municipal use. TWDB finds that creation of the proposed district complies with the State Water Plan objectives of promoting the implementation of programs and practices for effectively managing local groundwater resources and the efficient use of local groundwater resources.

H.B. No. 3812

By Deanie H. Morrison

A BILL TO BE ENTITLED
AN ACT

Relating to the creation, administration, powers, duties, operation, and financing of the Victoria County Groundwater Conservation District.

APR 08 1999 Filed with the Chief Clerk

APR 12 1999 Read first time and referred to Committee on Natural Resources

APR 21 1999 Reported favorably (as amended)
(~~unsubstantiated~~)

APR 29 1999
Sent to Committee on ~~(Education)~~
(Local & Consent Calendars)

MAY 04 1999 Read second time (~~comm. subst.~~) (amended); passed to third reading (~~failed~~) by a (non-record vote) (~~agreed to~~) (~~yes~~, ~~no~~, ~~present, not voting~~)

Constitutional rule requiring bills to be read on three several days suspended (failed to suspend) by a vote of _____ yeas, _____ nays, _____ present, not voting

MAY 04 1999 Read third time (~~amended~~); finally passed (~~failed to pass~~) by a (~~non-record vote~~)
(record vote of 144 yeas, 0 nays, 2 present, not voting)

MAY 05 1999

MAY 05 1999 Sent to Senate

Sharon Carter

CHIEF CLERK OF THE HOUSE

OTHER HOUSE ACTION:

MAY 5 1999 Received from the House

MAY 6 1999 Read and referred to Committee on NATURAL RESOURCES

Reported favorably _____

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time

Ordered not printed

Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)
(_____ yeas, _____ nays)

Read second time, _____, and passed to third reading by (unanimous consent)
(a viva voce vote)
(_____ yeas, _____ nays)

Senate and Constitutional 3 Day Rules suspended by a vote of _____ yeas, _____ nays

Read third time, _____, and passed by (a viva voce vote)
(_____ yeas, _____ nays)

Returned to the House

SECRETARY OF THE SENATE

OTHER SENATE ACTION:

_____ Returned from the Senate (as substituted)
(with amendments)

_____ House concurred in Senate amendments by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House refused to concur in Senate amendments and requested the appointment of a conference committee
by a (non-record vote) (record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House conferees appointed: _____, Chair; _____,
_____, _____, _____

_____ Senate granted House request. Senate conferees appointed: _____, Chair;
_____, _____, _____

_____ Conference committee report adopted (rejected) by the House by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ Conference committee report adopted (rejected) by the Senate by a (viva voce vote)
(record vote of _____ yeas, _____ nays)